

## **LBNL – PROCUREMENT STANDARD PRACTICES**

**Section: 17 Special Subcontracting Methods**

**Subject: 17.3 Fabrication Subcontracting**

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**PURPOSE:** This standard practice (SP) describes the procedures to be used in the subcontracting for fabrication work.

**POLICY:** Subcontracts for fabrications will be performed to secure acceptable quality, at the right time, and for the right price in accordance with the specification.

**SCOPE:** This SP applies to all subcontracts for fabrications.

### **DEFINITIONS:**

#### **Fabrication**

Fabrication is the process of manufacturing an item by combining or assembling diverse, typically standardized parts or materials from a Laboratory-furnished specification. Fabrications include fabrication of both mechanical and electronic assemblies.

Mechanical fabrication work is normally done in by a specialty shop (metal shop, sheet metal shop, plastic shop, etc.) or factory. It may consist of cutting, punching, sub-assembling, riveting, or welding materials into Laboratory-specified assemblies.

Electronic fabrication work may involve assembling electronic components into Laboratory-specified circuit assemblies or circuit boards or the fabrication of circuit boards themselves.

#### **Government-Furnished Property (GFP)**

Government furnished property (GFP) is property owned by the government and made available to a subcontractor for its use during the performance of work under a specific subcontract with the Laboratory.

#### **Government Property**

Government property is all equipment, materials, tooling, special test equipment, and supplies for which the government has title. This term includes both GFP and Subcontractor Acquired Property (SAP).

#### **Subcontractor-Acquired Property (SAP)**

Subcontractor-acquired property (SAP) is property that the subcontractor acquires or otherwise provides under the terms of a subcontract and for which the government has title.

#### **Tooling**

Tooling is an accessory to the machine tool or fabrication process that is directly related to the fabrication of a subcontract item. It includes but is not limited to jigs, dies, fixtures, molds, patterns, tooling programs, gauges, and measuring devices.

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### PROCEDURES:

<b>Purchase Requests</b>	<p>Purchase requests should contain, or be accompanied by, all information necessary to accomplish the subcontract, including</p> <ul style="list-style-type: none"><li>• A requisition identified as “Fabrication”;</li><li>• A complete description of the fabrication or fabricating services required;</li><li>• Technical specifications;</li><li>• A complete set of drawings if required;</li><li>• Any special considerations to be given;</li><li>• Exceptional conditions to be met; and</li><li>• A complete list of any GFP with its estimated dollar value.</li></ul>
<b>Specifications</b>	<p>Requesters are expected to specify the requirements completely enough, using accepted industry design, performance, or other definitive terms, to ensure that there is a reasonable basis for securing proposals, to ensure a sound subcontract, and to provide a basis for determining the acceptability of the fabrication or fabricating services. See SP 11.1, <i>Specifications and Standards—General</i>.</p>
<b>Date Needed</b>	<p>The requester's date needed for delivery of the finished product must be checked for realism. If the needed date appears unrealistic, the requester's concurrence for a revised date should be obtained and the file documented accordingly.</p>
<b>GFP</b>	<p>A <i>Shipping Document</i> is used when the Laboratory is to supply material or equipment to a subcontractor. These hard copy forms are available from the Department Administrator. See SP 47.4, <i>Off-Site Shipments</i>.</p>
Disposition of Government Property	<p>When the subcontractor's need for government property ends or upon completion of the subcontract, the procurement specialist coordinates the disposition of the government property with the requester, the subcontractor, and Property Management. (See SP 45.1 <i>Government Property</i>).</p>
<b>Sources</b>	<p>Competent and dependable sources of supply should be used. Consideration should be given to the existing workload of the prospective shop as prices may be higher and deliveries delayed from loaded shops.</p>

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### **Subcontract Considerations**

Subcontracts may include the following items, as appropriate:

- The Laboratory's requirements for acceptable performance;
- Inspection requirements;
- A schedule indicating the time for engineering work, planning, and tooling;
- When work will start and what sequences will be followed; and
- A list of lower-tier subcontractors (for high dollar value subcontracts).

### **Quality Assurance**

Refer to SP 46.1, *Subcontract Quality Assurance*, for procedures when quality assurance requirements apply or where possible suspect/counterfeit parts may be involved.

### **Expediting**

Procurement will perform follow-up and subcontract administration action during the course of the order. (See SP 42.1, *Subcontract Administration – General*). The requester or designee is responsible for providing technical liaison with the subcontractor.

### **Receipt of Material**

All material, scrap, tools, etc., are delivered to the location indicated on the subcontract.

If it is necessary to take the material to a Laboratory-designated inspection point, Receiving arranges for delivery as required and notifies the person and delivery point indicated on the subcontract. Receiving executes receipt records with the assistance of the requester or other person qualified technically and designated to perform the inspection.

If an assembly shop is designated as the inspector, it is furnished a copy of the subcontract with related drawings and specifications.

## **RESPONSIBILITIES:**

### **Procurement Specialist**

The procurement specialist shall:

- Obtain a requisition and satisfactory description of work from the requester;
- Use Shipping Documents when appropriate to assure protection of Government property;

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- Use competent and dependable sources of supply and include appropriate subcontract terms;

Assure subcontractor performance is as specified in the subcontract and payment is released for subcontracts.

### **CLAUSES:**

See SP 45.1, *Government Property*, for clauses to include in fabrication subcontracts involving GFP.